availability. Import duty on pulses has been abolished. Export of onion has been allowed under OGL duty free to increase domestic availability. Some States, especially Delhi arranged the supply of onion through the retail outlets such as Super Bazar, Kendriya Bhandar and Mother dairy etc.

Fiscal prudence, check in money supply growth and supply side management of wage goods are the principal instruments operated by the Government to control inflationary pressures.

Depression in Capital Market

210. SHRI SITARAM KESRI: Will the Minister of FINANCE be pleased to State:

(a) whether capital market is undergoing a period of depression; and

(b) if so, the reasons analysed and the corrective measures taken by Government and other concerned agencies?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The capital market witnesses fluctuations depending on performance of the corporate sector and the economy in general, economic policies of the Government, alternative avenues for raising resources by corporates as well as investment opportunities available to investors, expectations of the investors, speculative activity, developments in the international capital market, etc. The principal consideration of Government and the market regulator is to ensure that the capital market operates in an orderly and transparent manner in full compliance with the rules and regulations.

Fall in the bombay Stock Sensex

211. SHRI GURUDAS DAS GUPTA:
SHRI J. CHITHARANJAN:

Will the Minister of FINANCE be pleased to State:

(a) whether it is a fact that the great fall in the Bombay Stock Exchange Sensex by 224 points on October 5, 1998 was as a result of the bear operations involving major Foreign Institutional Investors-(FII) and their Indian friends;

(b) if so, the details thereof; and

(c) What action has been taken thereon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (b) There are several factors which influence the stock market. These include expectations of the investors regarding the performance of the corporate sector and the economy in general, perceptions of the investors about economic policies of the Government, speculative activity, developments in the international capital market etc. It is difficult to conclude that the decline was due to bear operations involving Foreign Institutional Investors-(FIIs) and others. However, the transactions by FIIs in the Indian stock markets are governed by SEBI regulations.

Refund of Income Tax paid on Account of Transport Allowance

212. SHRI GHUFRAN AZAM:
DR. D. VENKATESHWAR RAO:

Will the Minister of FINANCE be pleased to State:

(a) whether in certain cases the refund of Income Tax already paid on account of Transport allowance granted to Central Government Employees in Delhi has been refunded to the assessees on the very day on which the Income Tax returns for the year 1997-98 were filed;

(b) if so, the reasons therefor and the time by when the refund to the other assessees will be made; and

whether Government are contemplating to adjust the amount of Income Tax paid in excess on account of Transport allowance during the year 1998-99 in the next assessment year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) Tranport allowance was paid to all Central Government employees with effect from 1.8.97 after deducting tax at source. Subsequently through a retrospective amendment to the relevant rules, such transport allowance was held to be exempt. Accordingly a large number of refunds arose in the case of Central Government employees for assessment year 1998-99. Where special countrs for receipt of return were opened as part of an effort to provide better service, returns were processed under section 143(1) (a) across the counter and refunds were also issued simultaneously.

(b) All the remaining refunds will be issued at the time of completion of processing of the returns in acordance with the provisions of the Income Tax Act, 1961.

(c) No, Sir.

Impact of Relaxation of Sanctions by USA

213. SHRI YOGINDER K. ALAGH: Will the Minister of FINANCE be pleased to State the impact of the relaxation of sanctions by the United States on infrastructure projects investment in India?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): The relaxation of sanctions recently announced by the United States is confined to two distinct areas—primarily economic and some limited defence cooperation. On the economic from the waivers include removal of restrictions on assistance through EXIM Bank. Overseas Private Investment Corporation (OPIC) and the Trade Development Authority (TDA). Restrictions onthe activities of US Banks in India will also be lifted. The exact impact of these relaxation of infrastructure projects investment would be clear in due course of time.

Release of IMF Aid to Pakistan

214. SHRI RAJUBHAI A. PARMAR:
SHRIMATI VEENA VERMA:
SHRI AKHILESH DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the reported release of IMF- aid to Pakistan, despite imposition of sanction against India and Pakistan, in the aftermath of the serial nuclear tests by the two countries in May this Year: and

(b) if so, whether such IMF aid has been resumed in respect of India also, if not, what steps have been taken by Government to persuade IMF, World Bank and other international financial organisation to correspondingly relax the sanctions against India as well?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) While discussions are going on between Government of Pakistan and the IMF for resumption of IMF assistance, no formal decision has yet been made.

(b) Since India is not on any IMF programme, the question of resumption of IMF aid to India does not arise.

Decline in NRI Investment in the Country

215. DR. MOHAN BABU: Will the Minister of FINANCE be pleased to state:

(a) whetehr it is a fact that there has been a sharp decline in the Non-Resident Indians (NRIs) investment in the country during the last three years;

(b) if so, what are the reasons for the decline;

(c) the steps taken by Government to generate confidence amongst the NRIs and motivate them to invest in the country?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The pattern of NRI investment is